

DEPARTMENT OF THE ARMY  
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CENWD-MR-LM  
Memorandum  
No. 55-1-1

15 June 2000

Logistics Management  
USE OF RENTAL CARS WHILE IN TDY STATUS

**History.** This is a new Northwestern Division Publication.

**Summary.** This NWDOM provides information relative to the usage of rental cars while in a TDY status. It provides information applicable to the responsibilities of Travel Approving Officials (TAOs) and travelers, appropriate usage of rental vehicles, and the economic considerations of automobile rental.

1. PURPOSE. To provide guidance to TAOs and travelers regarding the approval and usage of commercially rented vehicles during temporary duty status.

2. APPLICABILITY. This memorandum applies to all Northwestern Division Headquarters personnel.

3. REFERENCES.

- a. Joint Travel Regulations, Volumes I and II.
- b. ER 55-1-2, Transportation and Travel, 1 May 1993.
- c. NWDR 55-1-1, Travel Management, 20 November 1998.

4. GENERAL.

a. A Government-furnished automobile is the first resource when automobile transportation is required. If a Government-furnished vehicle is not available, NWD TAOs may approve a vehicle rented from a commercial vehicle rental agency, for use by NWD travelers in the performance of their official duties. Under normal circumstances, travelers will work through the Omaha, or Portland District Transportation Officers or the NWD Commercial Transportation Office (CTO), to obtain rental car services. This process insures that only Military Traffic Management Command (MTMC) approved rental agencies are used. Individual

travelers who make their own rental car arrangements, should first determine if the rental agency is MTMC approved prior to committing to a rental agreement (agency representatives should have this information). In the event no MTMC approved providers are available, travelers will survey the local area to determine the lowest cost available, consistent with quality of service. Travelers are reminded that use of the government furnished travel charge card for rental car expenses is mandatory. Rental cars should not normally be approved for conferences, training, and other temporary duty assignments where local transportation services such as taxis or hotel shuttles would suffice.

b. Use of rental cars is limited to official purposes including transportation to and from:

- (1) duty sites
- (2) lodgings
- (3) dining facilities
- (4) drugstores
- (5) barber shops
- (6) places of worship
- (7) cleaning establishments
- (8) similar places for the traveler's subsistence, health, or comfort

5. REIMBURSABLE EXPENSES.

a. When a rental automobile is authorized and approved, the rental and hiring charge is reimbursable. When the expenses of operation are included in the rental or hiring charge, the receipt shall include a list of these expenses. Travelers should avoid entering into these types of agreements, as most cost comparisons of rental agency costs versus payment for refueling and other operating costs by the traveler result in a substantial savings to the Government when the traveler pays and subsequently files for reimbursement as a miscellaneous expense. These expenses include items such as gasoline and oil, parking, ferry fares, and bridge, road, and tunnel tolls.

b. **Required Receipts.** Receipts are required for reimbursement of the cost for the hire of rental vehicles. Such receipts must describe the service rendered, the rate of compensation by the day, hour, or other unit, and when applicable, an itemized account of any funds spent in paying damage sustained by the vehicle. Any item of expense for hire of a rental vehicle may be denied when the traveler's voucher is not supported by a receipt or a statement as to why one is not available.

6. **PERSONAL INSURANCE.** Rental car services provided by the NWD CTO will be with MTMC approved companies. The contract with these rental agencies includes collision damage waiver coverage in the rental rate, and additional coverage should, therefore, be declined. Travelers won't be reimbursed for the extra cost if it is not declined. Claims for damage to rental vehicles are adjudicated through the Division Counsel.

7. **DROP-OFF FEES.** Car rental companies charge for usage on a daily or hourly basis. Therefore, if a vehicle is rented at one location, and dropped off at another for turn in, the user may incur additional usage charges in addition to a "drop off" fee. Drop off fees are completely under the control of the car rental company. MTMC does not control these fees through contractual arrangements. The fees vary greatly from company to company, and may even be incurred by dropping off a vehicle at a different location within the same metropolitan area where the car was rented. Usually, drop off fees are related to the distance between the initial rental point, and the drop off point. The fee may be included in the rental rate, or as an additional fee added to the overall rental cost. The exact amount of the drop off fee can be obtained from the rental company before finalizing the rental contract. Prior to approving a rental vehicle when it is the intent of the traveler to return it to a location other than the original rental point, the TAO should require the traveler to provide a cost justification as follows:

a. Cost of travel to the proposed drop off location by the official preferred means (the NWO and NWP Transportation Officers can provide preferred means information).

b. Additional rental car usage costs.

c. Per diem costs for travel by rental car.


d. Per diem costs for travel by the official preferred means.

When the total of a. and b. above, plus or minus per diem, is more than the drop off fee, TAOs may approve drop off fees as a miscellaneous expense.

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8. **COST OF DAMAGE TO RENTAL VEHICLE.** In the event of damage to a rental vehicle, an employee may be reimbursed for personal funds paid to rental car agencies for damage sustained by a rental vehicle, which has been properly rented and damaged in the performance of official duties. However, the government may also make such payments to the automobile rental agency. NWD personnel involved in such circumstances should contact the Division Office of Counsel, prior to making any payments direct to the rental car agency. Additionally, it is the responsibility of the employee to provide an accident report to the Division Safety Officer. Reimbursement for damage sustained by a rented automobile while being used on other than official business is not authorized.

FOR THE COMMANDER:



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